Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

http://www.dmas.virginia.gov

MEDICAID MEMO

TO: All Hospitals and Managed Care Organizations (MCO) Participating in the Virginia Medical Assistance Program

FROM: Jennifer S. Lee, M.D., Director
Department of Medical Assistance Services (DMAS)

MEMO: Special

DATE: 7/5/2018

SUBJECT: Hospital Reimbursement Payments – Effective July 1, 2018

This memorandum notifies hospitals about reimbursement payments for state fiscal year 2019 (SFY19). All hospital rates and rate parameters as well as lump sum payment amounts will be posted on the DMAS website at: http://www.dmas.virginia.gov/#/ratesetting and will be considered official notification. DMAS will post rates from the last hospital rebasing year through the current state fiscal year as well as a log of any updates or revisions during the year.

Hospital Inflation Adjustment
In accordance with 12VAC30-70-351, current year inpatient and outpatient rates for acute care, inpatient rehabilitation and freestanding psychiatric hospitals will receive an inflation adjustment of 2.9% for SFY19.

Capital percentages for inpatient acute care will be updated to reflect allowable costs from the most recent hospital inpatient cost settlement. Inpatient capital reimbursement will be cost settled for fee-for-service (FFS). Updated capital percentages and new rates will be posted to the DMAS website.

Lump Sum Reimbursement: DSH/IME/GME
Payment of the Disproportionate Share Hospital (DSH) adjustment, Indirect Medical Education (IME), and Graduate Medical Education (GME) is separate from inpatient and outpatient claim payments. In accordance with regulation, these payments reflect the 2.9% inflation adjustment for SFY19. Payments are made as lump sum amounts at the end of each quarter. Payments for the fourth quarter will be made at the beginning of the next state fiscal year. Lump sum payment amounts will be posted to the DMAS website no later than July 15, 2018 for Type Two hospitals. Lump sum payment amounts for Type One hospitals will be posted no later than September 30, 2018.

Disproportionate Share Hospital (DSH) Payment
The list of hospitals qualifying for SFY19 DSH payments and their respective annual payment amounts will be available from the DMAS website. DSH payments are fully prospective amounts determined in advance of the state fiscal year to which they apply and are not subject to revision

except for the application of limitations determined at cost settlement. In addition to meeting the 14% Medicaid utilization requirement in the base year (cost reports with provider FYEs in SFY16), DSH hospitals must also meet the obstetric staff requirements or one of the regulatory exceptions. Any DSH hospital that eliminates obstetric services should promptly notify DMAS.

Indirect Medical Education (IME) Payment
Prospective IME percentages and the estimated annual IME payments will be available from the DMAS website. Prospective IME percentages for SFY19 have been calculated using the most recent resident and intern to bed ratios. IME payments will be cost settled based on the hospital's FFS and MCO operating costs.

Graduate Medical Education (GME) Payment and Reporting
Estimated GME payments will be available from the DMAS website. GME costs for interns and residents are reimbursed on a per resident basis for Type Two hospitals. The annual interim GME payment reflects the most recently available number of interns and residents and includes estimated nursing and paramedical education costs. GME payments for interns and residents will be settled based on the actual number of full-time equivalent (FTE) interns and residents as reported on the hospital's annual cost report. Type One hospitals are reimbursed cost for interns and residents. GME payments for nursing and paramedical education costs will be cost settled.

In accordance with Item 303.EEE of the 2018 Virginia Appropriations Act, all hospitals that qualify for GME lump sum payments must provide information regarding the number and specialty/subspecialty of interns and residents. GME hospitals will receive a letter specifying the required data elements and formats by July 15, 2018. This submission is in addition to the intern and resident full time equivalent (FTE) information required for the hospital cost report and is due to DMAS **by September 15, 2018**.

Payments for Primary Care and High-Need Specialty Residents for Underserved Areas
DMAS made 14 awards for new residency payments for eight (8) primary care and six (6) high need specialty residents beginning in SFY19. Hospitals will receive $100,000 per new resident per year up to four years in addition to other graduate medical education funding. Hospitals awarded funding for primary care and high-need specialty residencies must certify that they have filled the new residency slots and that they are receiving no Medicare funding. Payments follow the same quarterly schedule as other lump sum payments.

Forms and application information for 25 new residency slots for SFY20 will be available from the DMAS Rate Setting website July 9, 2018. Applications for the new residencies are due August 31, 2018.

For questions regarding hospital reimbursement, please contact Jamaal Alston at 804-371-4767 or e-mail: Jamaal.alston@dmas.virginia.gov.

ADDITIONAL INFORMATION ON ARTS SERVICES:
http://www.dmas.virginia.gov/Content_Pgs/bh-sud.aspx

MAGELLAN BEHAVIORAL HEALTH OF VIRGINIA (Behavioral Health Services Administrator)

Providers of behavioral health services may check member eligibility, claims status, check status, service limits, and service authorizations by visiting www.MagellanHealth.com/Provider. If you have any questions regarding behavioral health services, service authorization, or enrollment and credentialing as a Medicaid behavioral health service provider please contact Magellan Behavioral Health of Virginia toll free at 1-800-424-4046 or by visiting www.magellanofvirginia.com or submitting questions to VAProviderQuestions@MagellanHealth.com.

MANAGED CARE PROGRAMS

Most Medicaid individuals are enrolled in one of the Department's managed care programs: Medallion 3.0, Commonwealth Coordinated Care Plus (CCC Plus), and Program of All-Inclusive Care for the Elderly (PACE). In order to be reimbursed for services provided to a managed care enrolled individual, providers must follow their respective contract with the managed care plan/PACE provider. The managed care plan/PACE provider may utilize different prior authorization, billing, and reimbursement guidelines than those described for Medicaid fee-for-service individuals. For more information, please contact the individual's managed care plan/PACE provider directly.

Contact information for managed care plans/PACE providers can be found on the DMAS website for each program as follows:

- Medallion 3.0:
  http://www.dmas.virginia.gov/Content_pgs/mc-home.aspx
- Medallion 4.0:
  http:/www.dmas.virginia.gov/Content_pgs/medallion_4-home.aspx
- Commonwealth Coordinated Care Plus (CCC Plus):
  http://www.dmas.virginia.gov/Content_pgs/mltss-proinfo.aspx
- Program of All-Inclusive Care for the Elderly (PACE):
  http://www.dmas.virginia.gov/Content_atchs/ltc/PACE%20Sites%20in%20VA.pdf

COMMONWEALTH COORDINATED CARE PLUS

Commonwealth Coordinated Care Plus is a required managed long-term services and supports program for individuals who are either 65 or older or meet eligibility requirements due to a disability. The program integrates medical, behavioral health, and long-term services and supports into one program and provides care coordination for members. The goal of this coordinated delivery system is to improve access, quality and efficiency. Please visit the website at: http://www.dmas.virginia.gov/Content_pgs/mltss-home.aspx.

VIRGINIA MEDICAID WEB PORTAL

DMAS offers a web-based Internet option to access information regarding Medicaid or FAMIS member eligibility, claims status, payment status, service limits, service authorizations, and electronic copies of remittance advices. Providers must register through the Virginia Medicaid Web Portal in order to access this information. The Virginia Medicaid Web Portal can be accessed by going to: www.virginiamedicaid.dmas.virginia.gov. If you have any questions regarding the Virginia Medicaid Web Portal, please contact the Conduent Government Healthcare Solutions Support Help desk toll free, at 1-866-352-0496 from 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays. The MediCall audio response system provides similar information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

KEPRO PROVIDER PORTAL

Providers may access service authorization information including status via KEPRO's Provider Portal at http://dmas.kepro.com.

HELPLINE

The "HELPLINE" is available to answer questions Monday through Friday from 8:00 a.m. to 5:00 p.m., except on holidays. The "HELPLINE" numbers are:

1-804-786-6273	Richmond area and out-of-state long distance
1-800-552-8627	All other areas (in-state, toll-free long distance)

Please remember that the "HELPLINE" is for provider use only. Please have your Medicaid Provider Identification Number available when you call.

TO ALL MEDICAID PROVIDERS: PROVIDER APPEAL REQUEST FORM NOW AVAILABLE

There is now a form available on the DMAS website to assist providers in filing an appeal with the DMAS Appeals Division. The link to the page is http://www.dmas.virginia.gov/Content_pgs/appeal-home.aspx and the form can be accessed from there by clicking on, "Click here to download a Provider Appeal Request Form." The form is in PDF format and has fillable fields. It can either be filled out online and then printed or downloaded and saved to your business computer. It is designed to save you time and money by assisting you in supplying all of the necessary information to identify your area of concern and the basic facts associated with that concern. Once you complete the form, you can simply print it and attach any supporting documentation you wish, and send to the Appeals Division by means of the United States mail, courier or other hand delivery, facsimile, electronic mail, or electronic submission supported by the Agency.

PROVIDERS: NEW MEDICARE CARDS ARE COMING

CMS is removing Social Security Numbers from Medicare cards to help fight identity theft and safeguard taxpayer dollars. In previous messages, CMS has stated that you must be ready by April 2018 for the change from the Social Security Number based Health Insurance Claim Number to the randomly generated Medicare Beneficiary Identifier (the new Medicare number). Up to now, CMS has referred to this work as the Social Security Number Removal Initiative (SSNRI). Moving forward, CMS will refer to this project as the New Medicare Card.

To help you find information quickly, CMS designed a new homepage linking you to the latest details, including how to talk to your Medicare patients about the new Medicare Card. Bookmark the New Medicare Card homepage and Provider webpage, and visit often, so you have the information you need to be ready by April 1st.

Providers (which includes fee for service, Medicaid Managed Care Organizations, and Commonwealth Coordinated Care Plus) may share the following information with members:

MEMBERS: NEW MEDICARE CARDS ARE COMING

Medicare will mail new Medicare cards between April 2018 and April 2019. Your new card will have a new Medicare Number that is unique to you, instead of your Social Security Number. This will help to protect your identity.

Additional information is available at the following link:
https://www.medicare.gov/forms-help-and-resources/your-medicare-card.html